

## STANDARD TERMS AND CONDITIONS OF THE AGREEMENT ON CURRENCY EXCHANGE SERVICES BY PHONE

Applicable from 3 January 2018 for Danske Bank A/S Estonia branch, Danske Bank A/S Latvia branch and Danske Bank A/S Lithuania branch

### 1. GENERAL PROVISIONS

1.1. These Standard terms and conditions of the Agreement on Currency Exchange Services by Phone set out the terms and conditions on and regulate the relationship between the Bank and the Customer when the Bank provides the currency exchange services to the Customer by phone.

1.2. The following definitions are used:

**Account Agreement** means any current account agreement entered into between the Bank and the Customer.

**Account** means a current account opened by the Bank for the Customer under the Account Agreement pursuant to which the Bank holds the funds received by the Customer and which are used in the name of the Customer for the execution of payment transactions in compliance with the terms and conditions of the Account Agreement.

**Agreement** means the Agreement on Currency Exchange Services by Phone, which contains the Special terms and conditions, the Customer confirmations and the Currency Exchange Services Conditions. All amendments and annexes, if any, to the Agreement constitute an inseparable part of the Agreement. The Bank's General Conditions, Payment Conditions and the Price List apply to the Agreement to the extent they do not conflict with the Agreement.

**Business Day** means the part of a day on which the Bank is open for carrying on banking functions at the Place of Service, but does not include Saturdays, Sundays, national holidays and public holidays.

**Bank's Website** means the website of the Bank: for customers of Danske Bank A/S Estonia branch - [www.danskebank.ee](http://www.danskebank.ee), Latvia branch - [www.danskebank.lv](http://www.danskebank.lv) and Lithuania branch - [www.danskebank.lt](http://www.danskebank.lt).

**Currency Exchange Service Conditions** mean these Standard terms and conditions of the Agreement on Currency Exchange Services by Phone and all amendments and annexes to it.

**Representative** means a representative of the Customer who is named by the Customer on the list of the representatives, authorised to execute the Transactions on behalf of the Customer. Such list of representatives must be presented to the Bank in the form and with the content required by the Bank.

**Payment Conditions** are the Standard terms and conditions for the provision of payment services.

**Transaction** means an operation where the Customer converts a specified currency (also amount) into another currency of the Customer's choice at a rate agreed by the Customer and the Bank and which is performed according to the Customer's instructions as conveyed to the Bank by phone. The operations are performed only via the Customer's Accounts.

**Transaction Confirmation** means a transaction approval in electronic form as a message in Danske eBank.

**Transaction Terms** mean separate Transaction elements regulating the rights and obligations of the Parties concerning the Transaction.

**Transaction Day** means the business day on which the Customer or its Representatives and the Bank agree on the conditions of a Transaction, the Customer or its Representatives confirm the agreed conditions and the Transaction is considered to be performed.

1.3. The other definitions used in the Currency Exchange Service Conditions have the same meaning as set out in the General Conditions.

1.4. The Agreement regulates Transactions between the Bank and the Customer, the rights and obligations arising from these Transactions and the liability of the Parties in the event of a breach of the Agreement.

1.5. The Customer must comply with the provisions of the Agreement, the General Conditions and the legislation applicable at the Place of Service. In the event of non-compliance, the Bank may refuse to enter into or suspend the execution of the Transactions.

### 2. CONCLUSION OF THE AGREEMENT

2.1. The Agreement must be concluded at the Bank's place of service or through electronic channels acceptable to the Bank. If the Agreement is concluded at the Bank's place of service, each Party will be provided with a separate copy and all copies will have the same legal effect.

2.2. The Agreement will come into force after the Parties have agreed to its terms and conditions by signing the front page(s) of the Agreement (includes details of the Parties, the Special terms and conditions of the Agreement and confirmations of the Customer).

### 3. REPRESENTATION

3.1. A Customer, a natural person, is entitled to conclude Transactions in person or through the authorised Representative. A Customer, a legal entity, can conclude transactions through the authorised Representative.

3.2. The Customer must provide information about the Representatives in the form and with the content required by the Bank. By submitting the list of Representatives to the Bank, the Customer simultaneously confirms that individuals indicated in the abovementioned list (each individually) are authorised to enter into Transactions and to assume all related obligations on behalf of the Customer as well as to submit information to the Bank.

3.3. The Customer must inform the Bank immediately of any changes of the Representatives and provide the Bank with updated information about the Representatives. The Bank must rely on the latest information (list) about the Representatives that is provided to the Bank. The Bank and the Customer agree that the latest information (list) about the Customer's Representatives replaces the old one and is valid from the time of receipt by the Bank. Any information must be provided in the manner approved by the Bank.

### 4. CONCLUSION OF TRANSACTIONS

4.1. The Parties are entitled to conclude Transactions on any Business Day. To conclude a Transaction, one Party must communicate with the other Party and agree to the terms of the Transaction in question.

4.2. Transactions may be performed by calling only the Bank's phone number specified by the Bank. The Bank is entitled to stop the provision of service by phone for important reasons (to repair technical breakdowns, etc.) or in case the Customer does not have access to Danske eBank.

4.3. All Transactions are recorded by the Bank's telephone conversation recording system and copies of such records must be kept by the Bank and they can serve as evidence in case of any disputes among the Parties in connection with the concluded Transaction.

4.4. Before the execution of a Transaction, the Customer must submit to the Bank a phone identification application in the form and with the content required by the Bank.

4.5. The Bank identifies the Customer on the basis of the identification data specified in the phone identification application, i.e. to execute a Transaction, the Customer must precisely provide his or her first name, surname (for legal persons - the name of the company), customer code (assigned to the Customer by the Bank) and password. Precise indication of the identification data must be considered sufficient evidence for the Customer's identification. The Customer must recognise any Transactions performed using the identification data specified in the phone identification application as binding.

4.6. The Customer may not disclose the password and customer code specified in the phone identification application to third parties other than the Customer's Representatives and must inform the Bank immediately in case unauthorised persons may have access to this information.

4.7. None of the Parties to the Agreement are obliged to conclude the Transaction if the Bank and the Customer do not agree to the essential conditions of the Transaction. Before concluding a Transaction, the Parties to the Transaction must always agree to the following essential aspects of the Transaction: (i) currency, (ii) amount and (iii) exchange rate of the currency being exchanged.

4.8. When concluding each Transaction, the Bank assumes that all assurances and representations given in the Agreement by the Customer are valid and none of the following circumstances or events have occurred:

4.8.1. merger, dissolution or reorganisation of the Customer - legal entity has been initiated;

**4.8.2.** an insolvency application has been filed with a court by the Customer;

**4.8.3.** the responsible authorities of the Customer – legal entity has adopted a decision on termination of activities without appointment of any legal successor.

**4.9.** The Bank does not execute any Transactions and the Parties to a Transaction must consider it not to be concluded if:

**4.9.1.** the Customer or the Customer's authorised Representative provides any instructions that do not meet the requirements specified in the Agreement;

**4.9.2.** the information required for appropriate identification provided to the Bank is incorrect;

**4.9.3.** the Parties to the Transaction do not agree to the essential conditions of the Transaction;

**4.9.4.** other reasons arise from the legislation applicable at the Place of Service or from the conditions of other agreements concluded between the Customer and the Bank that restrict the conclusion of Transactions or the execution of instructions to perform Transactions.

**4.10.** The Transaction must be deemed concluded when the Parties have agreed to the material terms of the relevant Transaction, including currency exchange rate and payment settlement terms.

**4.11.** A Transaction concluded in accordance with the conditions specified in this Agreement must have the same legal effect as a document signed by the Customer or the Customer's authorised Representative in the name of the Customer. Neither the Customer nor the Representative must be entitled to dispute a Transaction executed by the Bank if the Customer or the Customer's authorised Representative arranged and concluded the Transaction and the Customer or the Customer's authorised Representative was identified by the Bank in accordance with the conditions specified in this Agreement.

**4.12.** If the Parties have not agreed otherwise, the Bank sends the Transaction Confirmation to the Customer after the conclusion of a Transaction. In the Transaction Confirmation, the Bank specifies the date when the Transaction was concluded, the Client's accounts in which the monetary operations of the Transaction are taking place and all other essential conditions of the Transaction.

## 5. DISCLOSURE OF RISKS

**5.1.** The Transaction value may be affected by various factors, including volatility in currency exchange rates, interest rates and other changes in financial markets. The Bank is not be liable for losses incurred by the Customer due to foreign exchange rates that are the object of the Transaction. The Parties agree that, every time a Transaction is entered into, the Customer declares to understand and accept the above specified risks related to the conclusion of a Transaction and to accept such risks.

## 6. EXECUTION OF TRANSACTIONS

**6.1.** The Bank performs Transactions only in the Customer's Accounts. Transactions have to be carried out on the day the Transaction is concluded.

**6.2.** Payments resulting from Transactions must be settled via the funds available in the Customer's Account indicated by the Customer. According to the terms of the particular Transaction, the Bank debits or credits the respective amount in the respective currency to the Customer's Account. The Customer undertakes to ensure that the respective Account with the Bank has sufficient funds for settlement of Transaction payments.

**6.3.** In the event the funds available in the Account indicated by the Customer are insufficient for making the Transaction:

**6.3.1.** the Bank is entitled but not obliged to debit the amount due to any other Account of the Customer opened with the Bank. If necessary, the Bank exchanges the currency according to the currency exchange rate set by the Bank on the Transaction date;

**6.3.2.** the Bank, on behalf of or at the request of the Customer, performs a reverse transaction identical to the respective one by applying the currency market exchange rate in force at the time in question. The Bank assumes no liability for any damages or losses incurred in this respect.

**6.4.** If a Transaction involves contractual obligations of the same type or two or more Transactions have been concluded with the Customer, which are to be considered mutual obligations of the same type (e.g. mutual payments in one and the same currency) to be fulfilled on the same date, a set-off is possible between the Parties.

The decision on set-off of any amounts due can be adopted by the Bank by sending the Customer a written or electronic notification thereof. Such set-off notification can be used as evidence in case of any disputes or misunderstandings between the Parties in this respect.

## 7. VALIDITY OF THE AGREEMENT

**7.1.** The Agreement is concluded for an indefinite term.

**7.2.** The Customer may terminate the Agreement at any time by notifying the Bank at least five (5) days in advance in the manner set out in the General Conditions and by completely fulfilling all obligations under the Agreement on or before the last day of the term of the Agreement.

**7.3.** If the Customer has materially violated any terms of the Agreement, the Bank is entitled to terminate the Agreement and all Transactions with the Customer. Material violation of the contractual terms comprises the following:

**7.3.1.** The Customer violates or defaults on the obligations of any other agreement concluded between the Parties or any agreement concluded by the Customer with a company of Danske Bank Group (subordinated default);

**7.3.2.** An insolvency application against the Customer has been filed with the court and the respective court decision has come into force;

**7.3.3.** The assurances provided by the Customer under the Agreement are false.

In this case, the Bank must send the Customer a termination notice and the Agreement must be deemed terminated upon sending of the notice.

**7.4.** The Bank may terminate the Agreement ordinarily, for whatever reason, by notifying the Customer of the termination at least two (2) months or 60 (sixty) days in advance (depending on which period is longer) and by notifying the Business Customer at least one (1) month or 30 (thirty) days in advance (depending on which period is longer) in the manner set out in the General Conditions. Under this clause, the Agreement may be terminated provided there are no outstanding Transactions.

## 8. LIABILITY OF THE PARTIES

**8.1.** Only the Customer is liable for the decision to conclude a Transaction. The conduct of the Bank, including the offered currency exchange rate, is not considered a recommendation or consultation. The Customer is liable for any damages or losses incurred as a result of a Transaction.

**8.2.** The Bank is liable for any violation of the contractual obligations incurred as a result of deliberate conduct or gross negligence on the part of the Bank.

**8.3.** The Bank is not liable for any debt obligations or damages incurred to the Customer as a result of the performance of a Transaction.

**8.4.** The Bank is under no obligation to communicate with the Customer in order to inform the latter of currency exchange rates or any damages resulting from the Transactions. The Customer undertakes independently to obtain the latest information pertaining to the said issues.

**8.5.** The Parties are not liable for non-fulfilment of any Agreement and/or Transaction terms if they are able to prove that such default or non-fulfilment of the contractual obligations has been caused by force majeure. Force majeure are conditions that could not be reasonably predicted by the Parties and which are beyond the control of the Parties, including illegal involvement of any third person in the activities of the relevant Party (blow-up threats, bank robbery etc.) and other events not initiated by the Parties (warfare, disorders, strikes, moratorium, communication disruptions, regulatory acts, legislative amendments, natural disasters etc.) if the Party is unable to fulfil its contractual obligations because of such circumstances. In case such force majeure lasts longer than one calendar month, the other Party is entitled to terminate the Agreement.

## 9. RESOLUTION OF DISPUTES

**9.1.** In the event of any disputes related to the Agreement or the Transaction concluded under the Agreement, the claiming Party must immediately notify the other Party and the Parties must consult each other to solve the disputes in a cost-effective manner within a reasonable period.

**9.2.** The Consumer must have the right to apply to supervisory authorities, bodies conducting pre-judicial proceedings (a list of such authorities is provided in the General Conditions) or the competent court to resolve the dispute.

**9.3.** All disputes arising out of the Agreement must be settled according to the General Conditions.

## 10. AMENDMENT TO THE AGREEMENT

**10.1.** The Bank is entitled to change unilaterally the Currency Exchange Service Conditions by notifying the Consumer of any changes at least two (2) months or 60 (sixty) days in advance (depending on which period is longer) and by notifying the Customer who is not a Consumer of any changes at least one (1) month or 30 (thirty) days in advance (depending on which period is longer) of the coming into force of such changes according to the procedure set out in the General Conditions.

**10.2.** In justified cases, the Bank may change the Currency Exchange Service Conditions without notice. In such case, the Bank must notify the Customer immediately of any changes and the Customer is entitled to terminate the Agreement without notice pursuant to the General Conditions unless there are any outstanding Transactions.

**10.3.** If the Customer does not agree on the changes, the Customer is entitled to terminate the Agreement by notifying the Bank thereof at least five (5) days in advance in writing before the respective changes take effect and upon fulfilment of all the Customer's obligations arising from the Agreement and the Transactions.

**10.4.** If the Customer does not exercise the right to terminate the Agreement, the Customer will be deemed to have accepted the changes made and declared that the Customer has no subsequent claims against the Bank in respect of the changes to the Currency Exchange Service Conditions.

## 11. INFORMATION

**11.1.** Unless otherwise provided in the Agreement, all notifications pertaining to the Agreement must be delivered to the other Party in writing in the official language of the relevant Place of Service or in the English language to the addresses or e-mail addresses of the Parties specified in the Agreement or through Danske eBank.

**11.2.** Any notifications delivered by e-mail or through Danske eBank must be deemed to have been received on the next Business Day after having been sent, whereas any notifications sent by registered post must be deemed to have been received on the seventh calendar day after having been sent. The Bank is entitled to use other communication channels at its discretion.

**11.3.** The Customer must notify the Bank immediately of any changes to its contact details. Before receipt of a notification, it must be considered that the Customer has received all notifications sent to the Customer and that they have been delivered at the address indicated in the Agreement.

**11.4.** The Bank informs the Customer of any changes to its contact details by sending notifications through Danske eBank. The Bank is entitled to use other communication channels at its discretion.

**11.5.** After receipt of notification of changes to the contact details of the other Party, it must be assumed that the contact details of the other Party have been changed and that the new contact details apply.

**11.6.** The Parties must keep confidential any information obtained about the other Party during the fulfilment of the Agreement, unless disclosure of such information is mandatory according to the legislation applicable at the Place of Service. The provisions of this clause survive termination of the Agreement.

## 12. FINAL PROVISIONS

**12.1.** The Agreement concluded as well as all the amendments thereto and/or any notifications provided by any Party using electronic channels acceptable to the Bank (e.g. through Danske eBank) must have the same legal effect as the Agreements concluded at the Bank's place of service and/or handed over personally.

**12.2.** The Agreement is governed by and construed in accordance with the legislation applicable at the Place of Service.

**12.3.** In the event of any contradiction or ambiguity between the Agreement's text in the official language of the Place of Service and the English language, the text in the official language of the Place of Service applies.

**12.4.** If the General Conditions are conflict with the Agreement, the Agreement prevails. If the Currency Exchange Service Conditions conflict with the Special terms and conditions of the Agreement, the Special terms and conditions of the Agreement prevail. In the event of discrepancy between the Currency Exchange Service Conditions and the conditions of the Transaction, the conditions of the Transaction prevail.

## 13. SPECIAL CONDITIONS APPLICABLE TO THE PLACE OF SERVICE ALONE

**13.1.** The following special conditions apply to the services in Latvia:

**13.1.1.** For the Customers of Danske Bank A/S Latvia branch who concluded the Agreement on Currency Exchange, Money Market and Derivatives Transactions or the Agreement on Currency Exchange, these Standard terms and conditions of the Agreement will apply. In this case, the definition "Client" used in the Agreement on Currency Exchange, Money Market and Derivatives Transactions or in the Agreement on Currency Exchange corresponds to the definition "Customer" used in the Standard terms and conditions of the Agreement.

**13.1.2.** The Bank ensures conclusion of the Transaction (conversations by telephone) only in English or Russian. All other communication is provided by the Bank to the Customer in Latvian unless otherwise agreed between the Parties.

**13.2.** The following special conditions apply to the services in Estonia:

**13.2.1.** For those Customers of Danske Bank A/S Estonia branch, who have concluded the Customer agreement on financial instruments prior to January 3, 2018, these Standard terms and conditions of the Agreement will be applicable and replace the Customer agreement on financial instruments in regard of currency exchange services. In this case, the definition of the "Account" used in this Agreement corresponds to any current account opened in the name of the Customer in Danske Bank A/S Estonia branch.

**13.2.2.** For the Customers of Danske Bank A/S Estonia branch special conditions apply, which are set in the Annex I. The Annex I is integral part of the Currency Exchange Service Conditions in Estonia only.